

May 1, 2007

FINANCE COMMITTEE REPORT

A Finance Committee meeting was held Tuesday, May 1, 2007 at 2:30 p.m. in the County Administration Building, Quorum Court meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Harrison, Hobbs, Summers, Moore, Wolf, Wozniak

Others Present: JP Hill, Treasurer Deanna Ratcliffe, Assessor Bill Moutray, Sheriff Keith Ferguson, County Attorney Robin Green, Richard McComas, Travis Harp, Michele Anderson, Kathy Bannister

Media: Scarlet Simms – Morning News; Jennifer Turner – Benton County Daily Record

JP Tim Summers called the meeting to order at 2:30 p.m.

PUBLIC COMMENTS:

None

1. County Attorney Report

County Attorney Robin Green updated the committee on the county's appeal of the Oklahoma Appraisal and Assessment lawsuit against the Benton County Assessor. She said the county filed a Notice of Appeal specifically to challenge the amount of \$20,000 plus costs in attorney's fees requested by the plaintiff. She said the amount has been reduced to \$5,000 plus costs, so the county has dismissed its appeal. She added that the co-defendant in the suit will be sharing the cost, but they have not yet finalized the details.

2. Grants Administrator Report

Grants Administrator Kathy Bannister stated that they will be applying for a Planning Grant in High Poverty Counties for the Health Department for the west side of the county in the amount of up to \$80,000, with no county match. She said the application deadline is May 16, 2007, and they do not have to submit a resolution with the application, but would like Quorum Court approval to proceed. JP Wozniak made motion to forward the request for approval to the May 8, 2007 Committee of 13 meeting, seconded by JP Wolf. Kathy Bannister stated that the grant would provide a service delivery site for the west side of the county, which they do not have at the current time due to the loss of the space they were leasing from Allen Canning Company. Motion passed by unanimous show of hands vote.

3. Emergency Services: Grant Ordinance

Comptroller Richard McComas stated that the annual Homeland Security Grant has been awarded, and they will include it in the 2007 Budget Adjustment Ordinance. JP Wozniak made motion to forward the adjustment request to the May 8, 2007 Committee of Thirteen meeting, seconded by JP Moore. JP Summers stated that this grant has been received every year since 9/11. Richard McComas stated that it will be used for a disaster preparedness exercise. Travis Harp stated that the grant is for \$53,550 and is one of the largest grants ever awarded by the Arkansas Department of Emergency Management. Motion passed by unanimous show of hands vote.

4. Sales Tax Numbers

Comptroller Richard McComas stated that February's receipts saw a little growth, but not the 10% that was projected. JP Moore asked if the money that Bella Vista is now receiving is coming completely from the county's coffers, and stated that he thought that all of the entities had to share the cost. Richard McComas explained that the county received 38% of the total sales tax receipts in the county when Bella Vista was part of the county population, but now that percentage has been reduced to approximately 27%. He said that since Bella Vista is now a city, they receive 11%, because their population is 11% of the total population of the county. He said the county's share will be reduced again when the 2010 census numbers show that the county's population has decreased. Richard McComas stated that the net gain for the year continues to dwindle, and he expects it to be zero by the end of the year. He added that the only reason they are showing a net gain at all is because Bella Vista's portion was not subtracted for the first two months of the year.

5. Jail Collections

Comptroller Richard McComas stated that Jail Collections are down a little bit, because the D.O.C. is approximately \$100,000 behind in their payments. He said that they expect them to catch up eventually as the always do, and that will put the account on target with budget projections.

6. Monthly Expense Reports

Accounting Manager Michele Anderson stated that County General is at 34%, and gave explanations for any departments that were at a higher percentage. She noted that there will be an \$8,000 budget adjustment necessary for Judge Duncan's office, due to a purchase that was budgeted in 2006 but not invoiced until after the year was closed out. JP Summers stated that it would probably be a good idea to start watching the fuel costs since gasoline prices are rising again. Michele Anderson stated that the Sheriff's Department and Jail are at the same percentage as this time last year, but that the Road Department is \$27,000 ahead of last year. Travis Harp explained that the Road Department purchases fuel at a rack rate, and they are going to start servicing their own tanks which should reduce their rate by about 9 cents per gallon. Richard McComas said that the Sheriff's Office purchases fuel separately and services only their own vehicles. Sheriff Ferguson stated that they get three bids for each fuel purchase. JP Wolf asked if

they could get fuel cheaper if they purchased a larger amount from the same vendor. Sheriff Ferguson stated that sometimes they have been able to get theirs cheaper than the Road Department, and they purchase fuel at different times. Richard McComas stated that other departments use fuel purchased by the Road Department and the costs are expensed to the various departments.

7. Other Business

Comptroller Richard McComas stated that they will need a budget adjustment to pay some rental expenses and utility bills which were budgeted in different areas but need to come out of the General Fund. He said he has estimated that they will need to move approximately \$72,000 at the end of the year, but there will be very little difference in the overall impact on the budget. JP Moore made motion to forward the adjustment request to the May 8, 2007 Committee of 13 meeting, seconded by JP Wolf. Motion passed by unanimous show of hands vote.

Richard McComas stated that the Department of Labor is going to do a Compliance Audit, so they will be contracting with a company to develop an Affirmative Action Plan at a cost of approximately \$3,000. He said that it is being required because the county receives federal money from the housing of prisoners.

Richard McComas stated that all Quorum Court members who did not attend the Finance Committee meeting will receive a packet of the information in the mail. He said they are requesting that everyone bring those materials to the Committee of Thirteen meeting in order to save the cost of reproducing them for another meeting.

Richard McComas stated that he wanted the committee to be aware for information purposes that Benton County currently does business with 7,901 vendors, and that the number changes daily.

8. Announcements

JP Summers announced that the Committee of Thirteen will meet May 8, 2007 at 5:00 p.m.

JP Summers announced that the next Finance Committee meeting will be June 5, 2007 at 2:30 p.m.

After motion and second the meeting adjourned at 3:01 p.m.